Headquarters U.S. Air Force

Integrity - Service - Excellence

Transition Training

Air Force Housing Privatization Workshop

U.S. AIR FORCE

May 4, 2004

San Antonio, TX

DRAFT

U.S. AIR FORCE

Agenda

- Introduction
  - Evolutionary Change
  - New Roles
  - New Duties / Skills
- The Checklists
  - Property Transfer
  - Management Handoff
  - Publicity Plan
  - Leases and Allotments
- Your Training Needs Assessment

U.S. AIR FORCE

What do we mean by transition?

- This is the transition from traditional housing management to asset management.
  - Going from a housing manager to…
  - An asset manager
- The transition is a evolutionary process…not a discrete event.
  - Changes take place over time
  - Changes are gradual

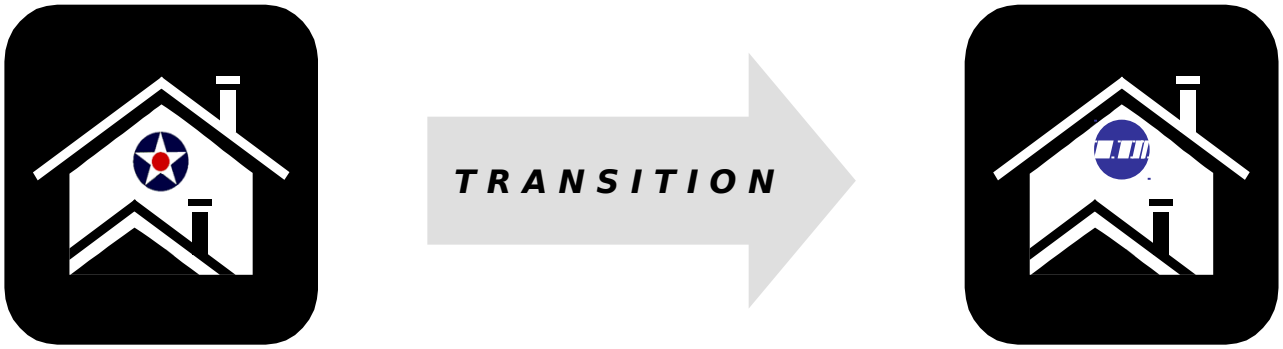
Housing privatization is a significant transition

TRANSITION

Current State:
Air Force constructed, owned, maintained, and managed housing

Future State:
Privately constructed, owned, maintained, and managed housing

All parties in housing will see their roles evolve

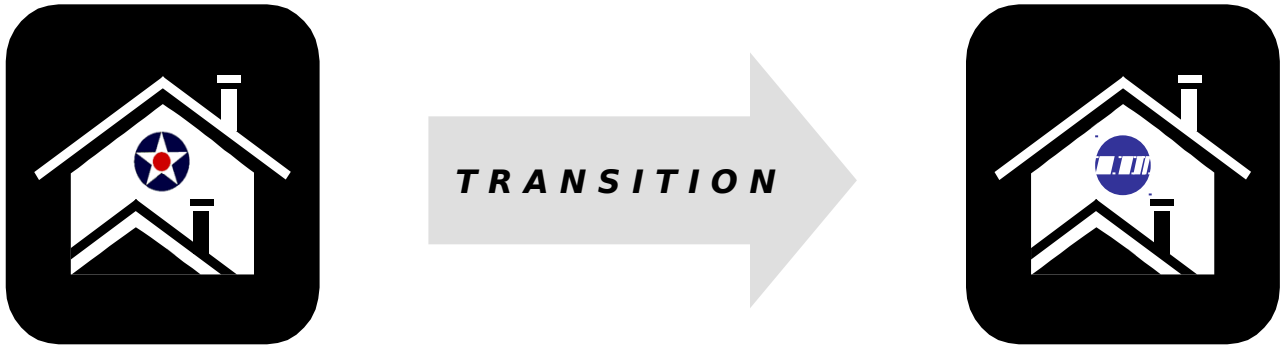


Housing	Property Manager	Asset Manager
Engineering	Programmer, Designer, Project Manager, Inspector	Reviewer, Surveillance
Tenant	Resident	Renter
Developer	Successful Offeror	Project Owner / Property Manager

PHASE I II III IV V

U.S. AIR FORCE

The housing office evolves from property manager to asset manager



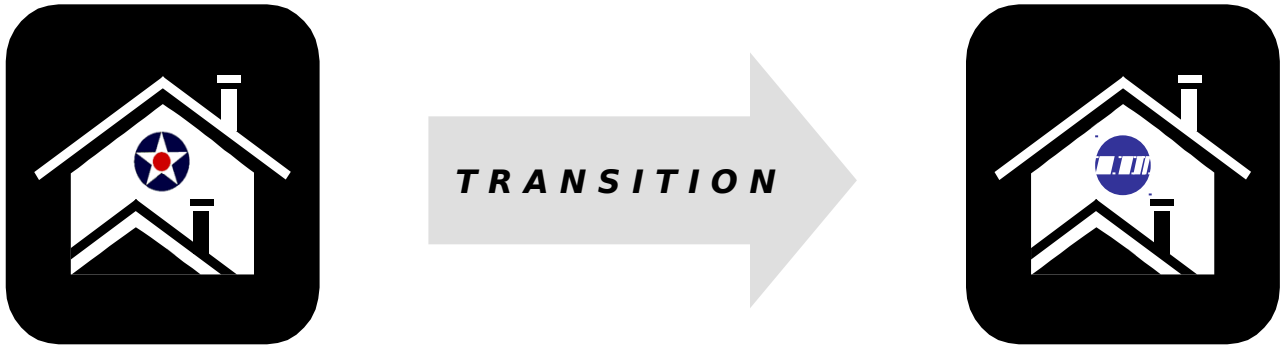
Property Management	Asset Management
• Act as Property Manager • Address people problems • Learn housing skills • Retain tenant files • Manage housing • Follow Government AFIs • Manage records • Generate project budget	• Act as Tenant Counselor • Address project problems and lead the MRC • Learn multi-discipline skills • Gather/Report project data • Manage lease • Follow transaction/legal documents and AFIs • Manage records • Monitor/approve project budget • Assist with site visit, quarterly reports, and loan closing
Maintenance Contracts	**SO Maintenance**
• Inspect contract work (QAE) • Manage maintenance budgets	• Oversee SO's work • Monitor lockbox

The other CE flights evolves from programmer, designer, PM, and inspector to project reviewer and project surveillance

Design/Construction Program	Review and Surveillance
• Program/design housing projects • Inspect housing projects • Air Force design standards • Air Force regulations • Maintain ACES	• Review development plans • Oversee Title II or SO inspection • Local design standards • SO proposal • Provide condition assessment report
Utilities and Maintenance Contracts	**Private Utilities**
• Government utilities • Manage/write maintenance contracts • Track facility maintenance • Self Help	• Review utility rate/ compute allowance • SO maintenance plan • Transfer maintenance history • SO Do-It-Yourself Store (possible)

U.S. AIR FORCE

The military tenant evolves from resident to renter



Resident	Renter
• Military family housing • Utilities included • Housing assignments • Contact housing office • Air Force managed waiting list • Air Force resident restrictions	• Private housing • Utilities paid separately • Lease agreement • Contact SO • SO managed waiting list • SO renter restrictions
Emergency Services	**Emergency Services**
• Air Force provided fire, police, ambulance, and force protection	• City provided fire, police, ambulance, and force protection (possible)

But, these roles cannot be performed by parties independent of each other

TRANSITION

Housing	Property Manager	Asset Manager
Engineering	Programmer, Designer, Project Manager, Inspector	Reviewer, Surveillance
Tenant	Resident	Renter
Developer	Successful Offeror	Project Owner / Property Manager

Instead, there must be an ongoing partnership between the Asset Manager and the Property Manager.

What is Asset Management?

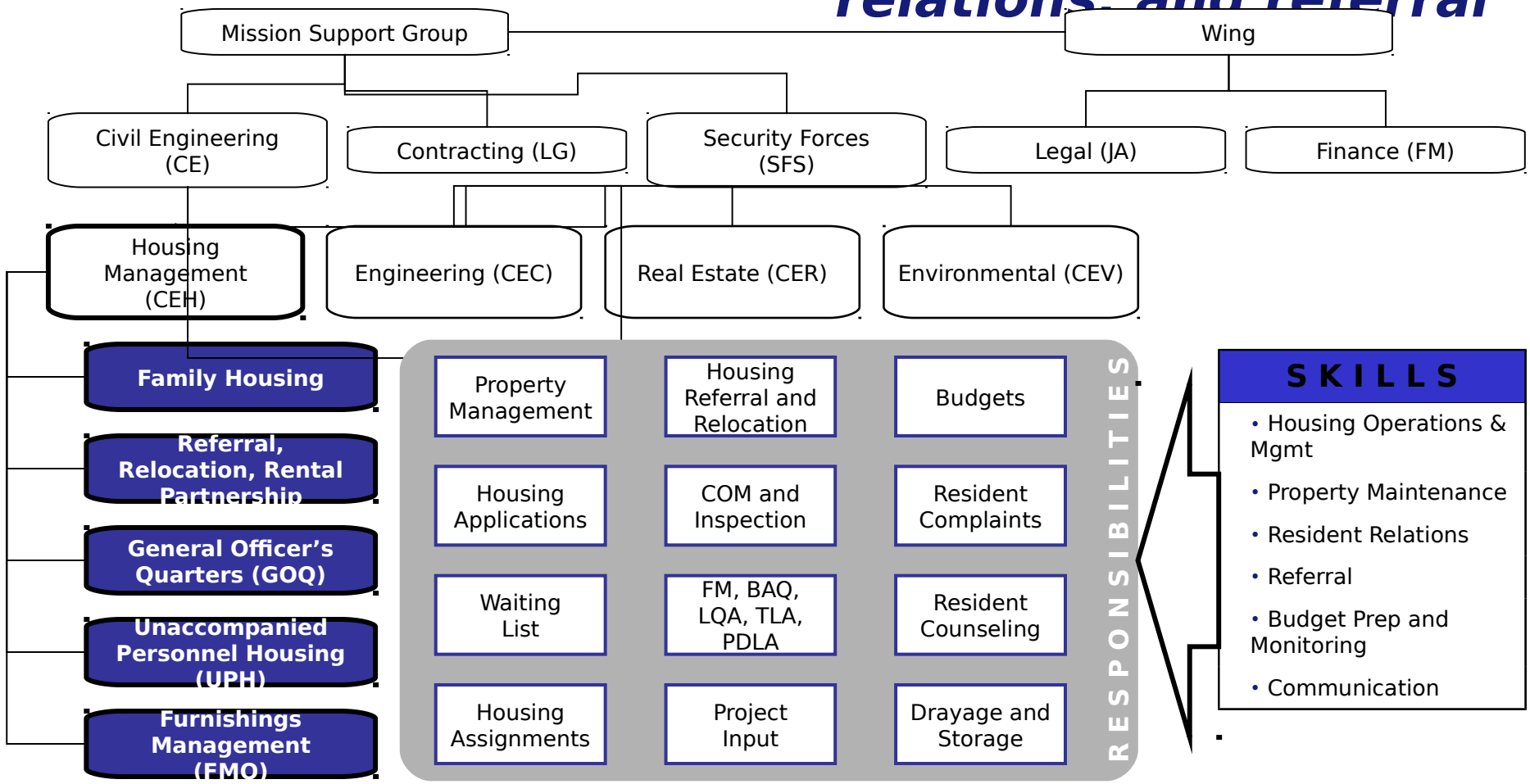
Asset Management is the daily coordination and project oversight to monitor the project owner and property manager's operation, track transaction compliance, and monitor tenant satisfaction

Monitor Operation

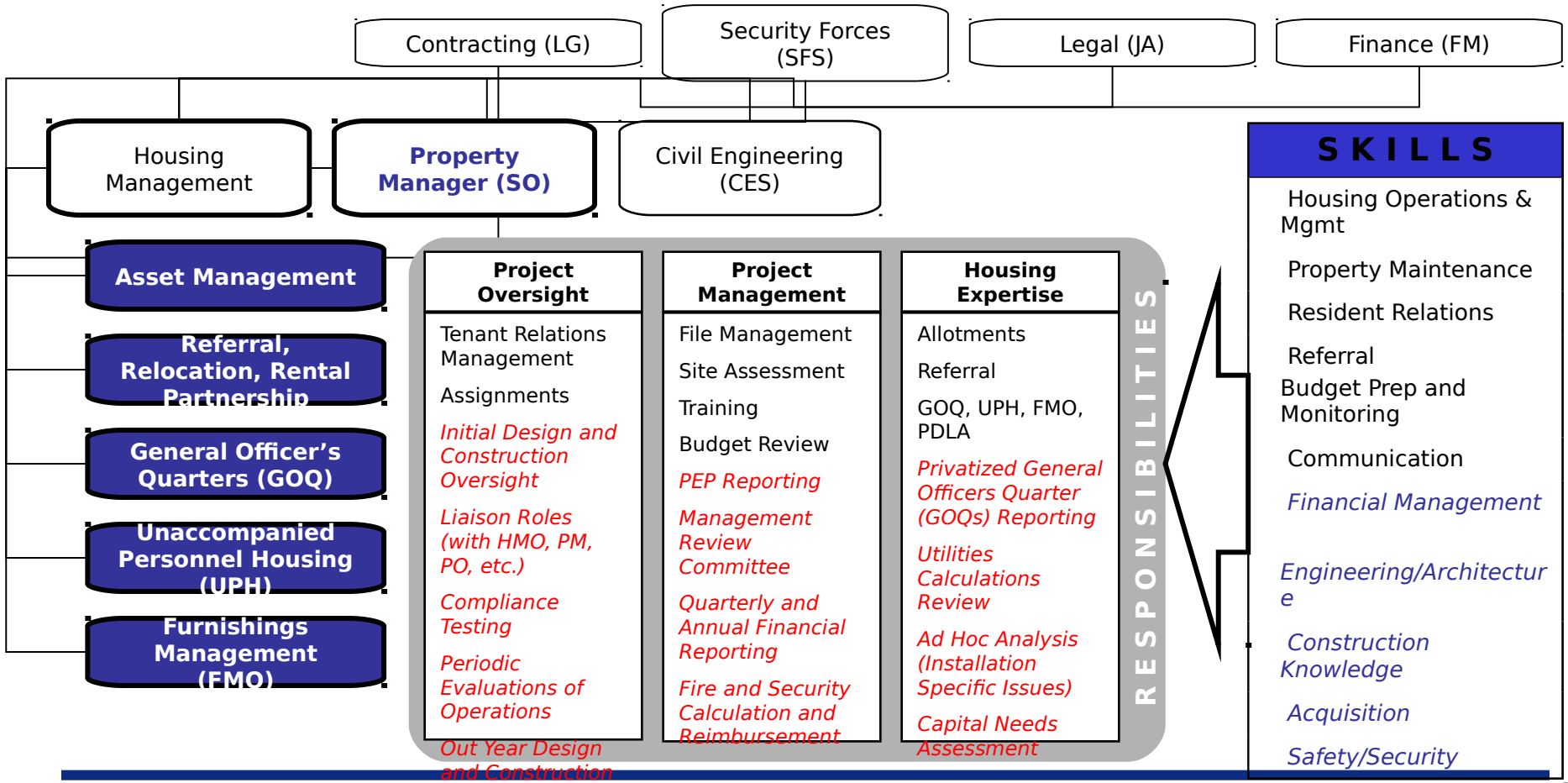
Track Compliance

Monitor Satisfaction

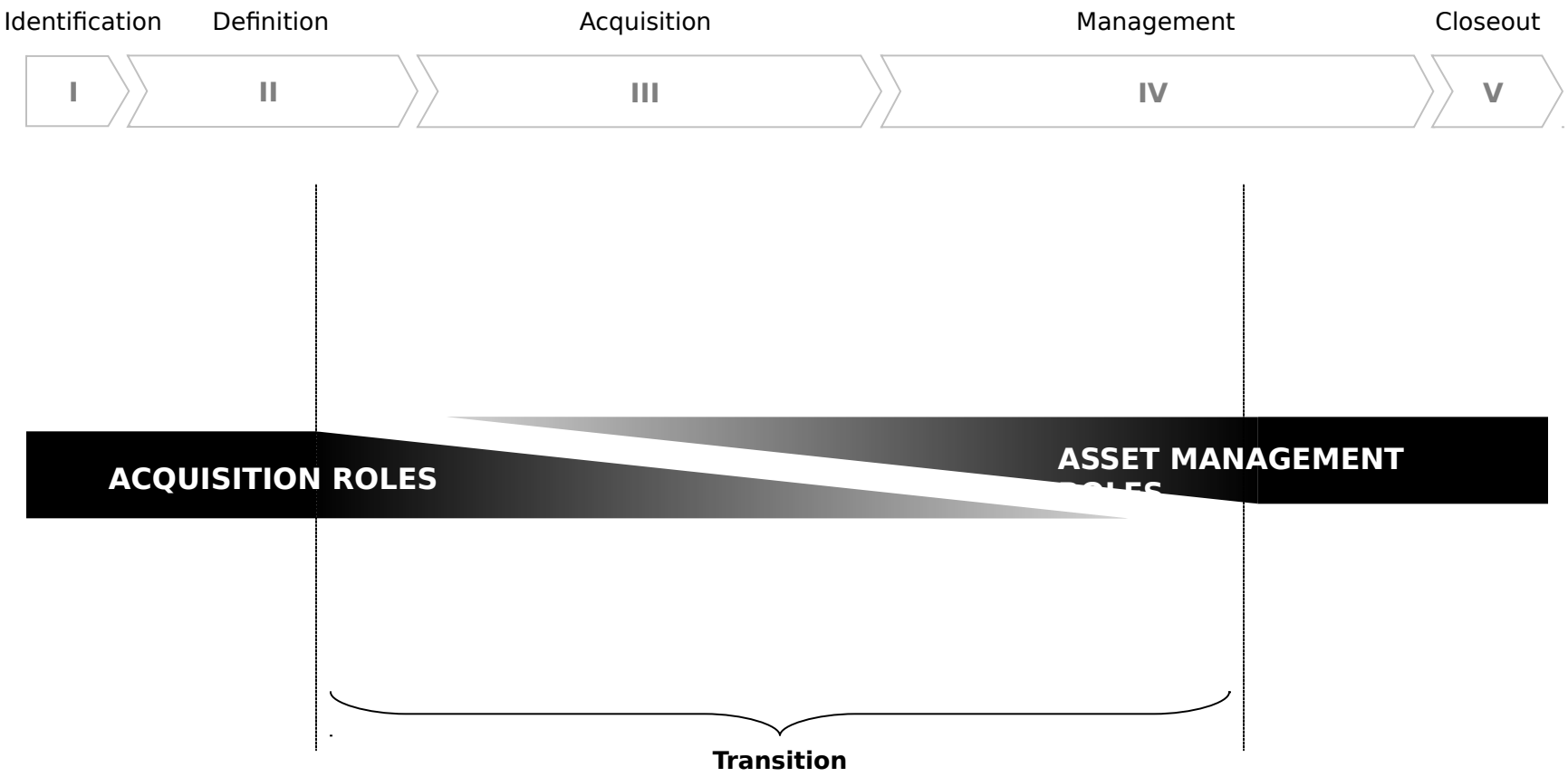
Traditional housing management responsibilities include housing operations, maintenance, tenant relations, and referral



The housing management office and its asset management component provides project oversight, management, and housing expertise



Even before transaction closing, staff will begin performing new duties



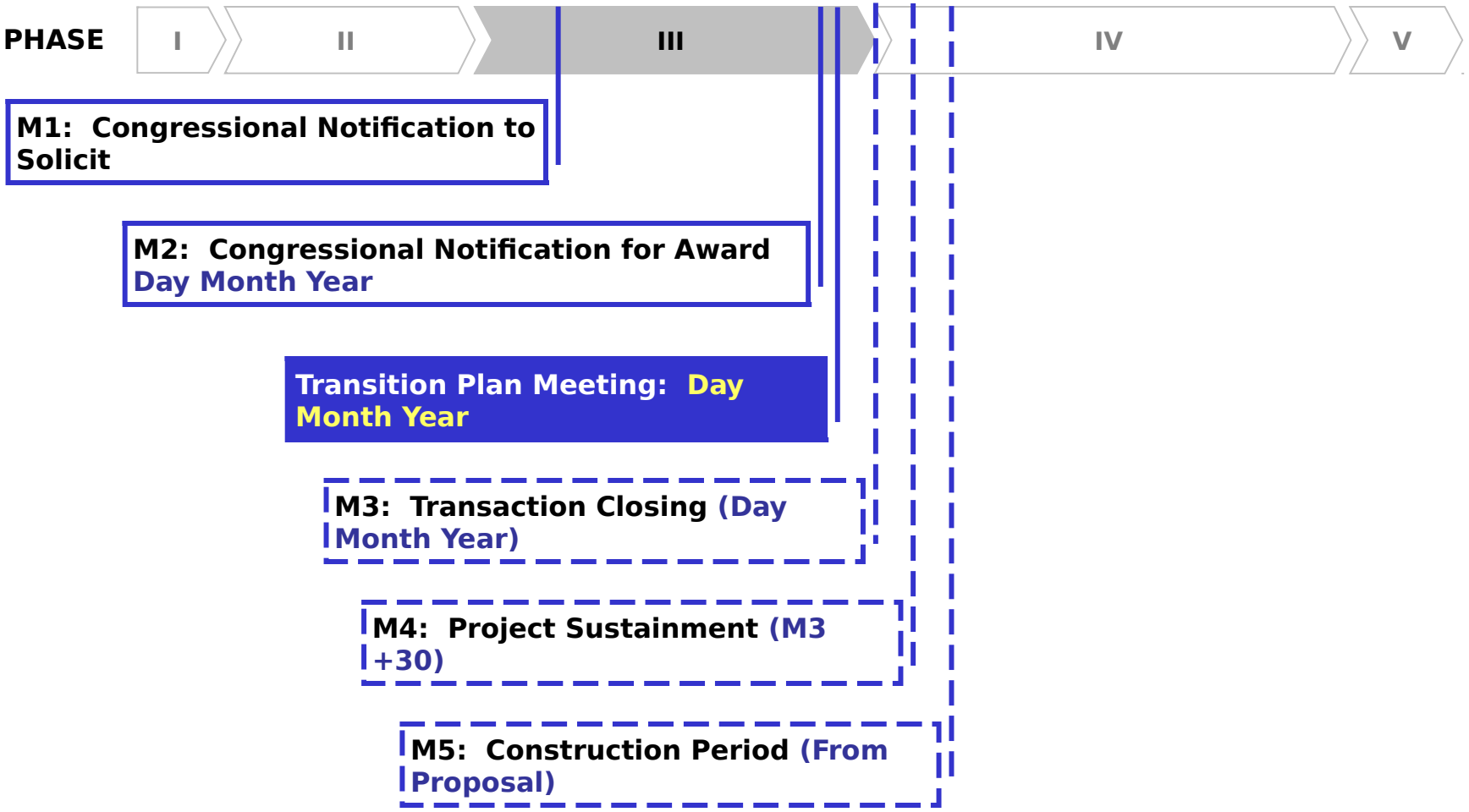
THE CHECKLISTS

U.S. AIR FORCE

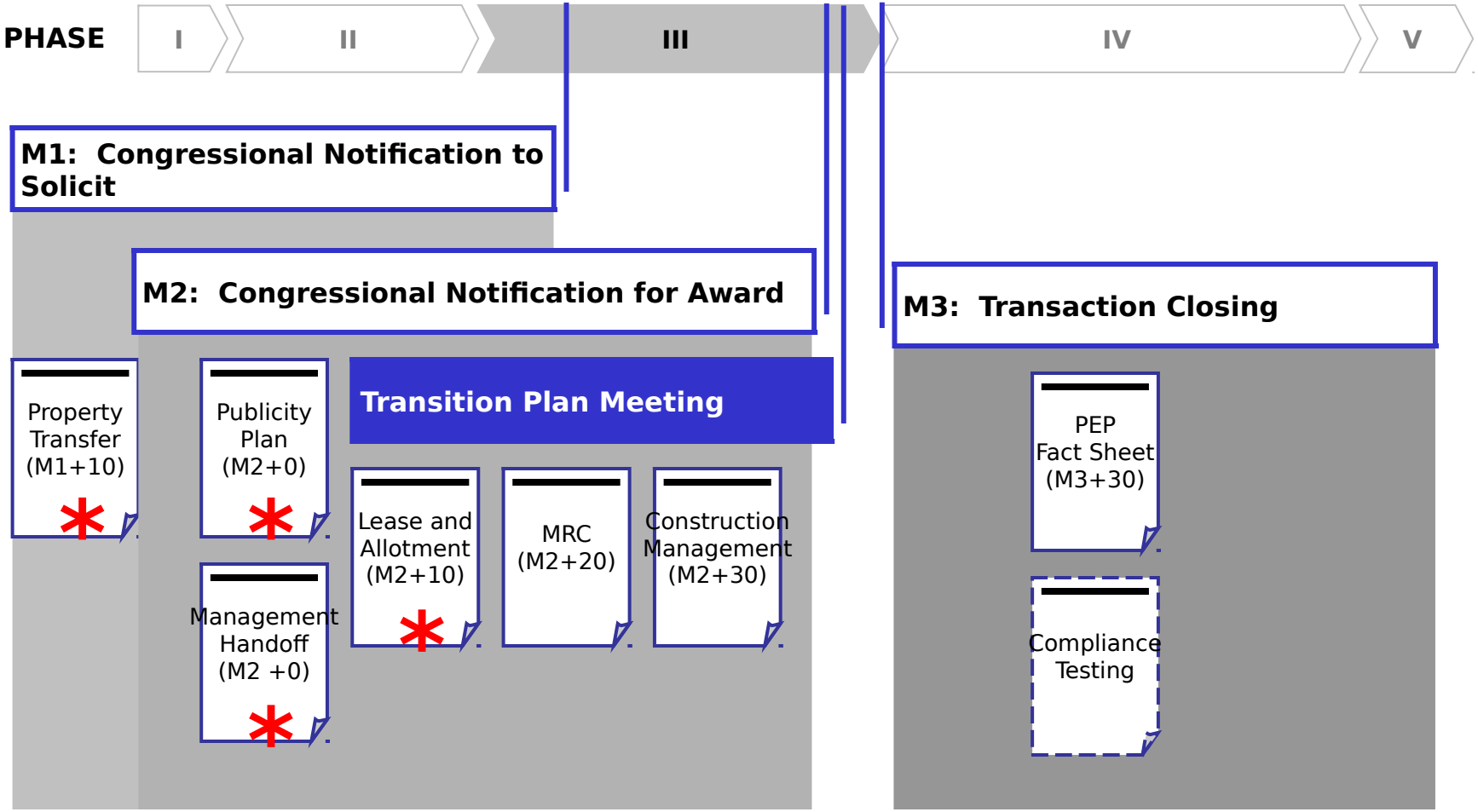
Steps to Prepare for Transaction Closing

- Transition milestones help chart a transition path and gauge progress
- Checklists identify transition tasks and distribute the responsibilities to meet milestones
- We have created a series of checklists that guide this process

Transition milestones help chart a transition path and gauge progress



Today, our focus is on the first four checklists



U.S. AIR FORCE

Here are samples

Property Transfer Checklist

Property Transfer Checklist			
Activities	**Task Owner**	**Milestone**	**Date**
LBP Evaluation: Conducts a Lead Based Paint (LBP) Evaluation to document LBP and soil-lead hazards.		M1 -85	
LBP Evaluation Report: Receive abatement and LBP Hazards evaluation and prepare a Notice and Disclosure of LBP Hazards to provide a baseline condition for property transfer.		M1 -45	
M1: Congressional Notification to S			
LBP Abatement: Abate the soil hazards if the H abatement is optional, but reporting is mandator			
Contracts Review: Schedule maintenance and infrastructure) cancellation or extension period			
LBP Clearance: After abatement is complete, r abatement work and generate a clearance rep			
LBP Clearance Report: Collect the installation's report and send it to AFCEE for inclusion in the			
M2: Congressional Notification for A			
Resident Rights: Work with the SO to develop rights during the construction period or assign			
Contracts Amendments: Amend the maintenan closing.			
Condition Assessment: Perform physical condi to baseline the property, appliances, and furnis			
Transfer Maintenance History: Provide conditio including work orders, for the SO's manageme			
M3: Transaction Closing			
Contracts Termination: Terminate maintenance			
Provide Security Procedures: Identify the Insta background checks, and expectations during h			
Property Records: Update real property record retained property or if fully privatized, record a			
M4: Project Sustainment			
Activities follow Phase V, Project Closeout opti			
M5: Construction Period			
No activities			

Management Handoff Checklist

Management Handoff Checklist			
Activities	**Task Owner**	**Milestone**	**Date**
M1: Congressional Notification to Solicit			
Allocate Space: Designate office space for the SO (if required in the RFP) setup the housing management office and setup the asset management file system.		M1 +10	
M2: Congressional Notification for Award			
Review Proposed Plans: Review the SO's design and construction management plans (i.e., Community Development, Facilty Design and Construction, and Construction Management).		M2 +0	
Review Proposed Plans: Review the SO's real estate mana and Management, Unit Occupancy, Rental Rate Managemen Replacement, and Reinvestment).			
Review Legal Documents: Review the legal instruments to			
Review Resident Handbook: Review and approve the SO's Chapter 7).			
Reduce Self-Help Inventory: Coordinate the transition sche liquidate their inventory or sell it to the Property Owner for t applicable).			
Meet Property Manager: Meet the property manager to disc understand the nuances of the SO's business and establish government and SO's staff.			
M3: Transaction Closing			
Receive Handoff: Receive the handoff memo with the trans			
Transfer Resident Files: Provide the resident files for SO's			
Collect Documents: Receive copies of all closing document administration office.			
M4: Project Sustainment			
Activities follow Phase V, Project Closeout option.			
M5: Construction Period			
No activities.			

Publicity Plan Checklist

Publicity Plan Checklist			
Activities	**Task Owner**	**Milestone**	**Date**
No contact with residents or SO before Notification to Solicit other than the release of general privatization policy and procedures.			
M1: Congressional Notification to Solicit			
No activities			
M2: Congressional Notification for Award			
Marketing Plan: Publicize privatization issues (i.e., leases, allotments, benefits, programinfo), via mass mailing, newsletters, news articles, and brochures through transition assistance, commander's calls, commander's access channel, clubs, organizati		M2 +0, +30, + 60...	
Conduct Town Hall Meeting: Conduct forum to explain the privatization program to military tenants and answer generic questions about leases, allotments, and benefits. Consider inviting community leaders, local real estate professionals, and schools to a		M2 +11	
Send Periodic Messages: Send periodic notification (i.e., leases, utility payments, maintenance requests)			
M3: Transaction Closing			
Resident In-brief: Present the resident in-brief with t			
M4: Project Sustainment			
Activities follow the Asset Management Compliance			
M5: Construction Period			
Tenant Moves: Notify tenants and coordinate tenant drayage and storage budget.			
Announce Completion: Announce construction com period is complete.			

Leases and Allotments Checklist

Leases and Allotments Checklist			
Activities	**Task Owner**	**Milestone**	**Date**
M1: Congressional Notification to Solicit			
No activities			
M2: Congressional Notification for Award			
Allotment Strategy: Contact other installations to ask how they handled partial (prorated) monthly payments or cash payments for late arriving tenants who sign a lease in mid-month.		M2 +10	
Schedule Lease Intent: Distribute lease agreements for resident signature and remind tenants to acquire a power of attorney for deployed members to allow for the lease and allotment signing.		M2 +25	
Allotment Preparation: Coordinate the start date for BAH allotment (AF Form594, Application and Authorization to Start, Stop, or Change BAH) and schedule the allotment to coincide with the first of the month.		M2 +35	
Sign Leases: Collect signed tenant leases and powers of attorney.		M2 +50	
M3: Transaction Closing			
Allotment Process: Process allotments on the first day of the month coinciding with closing.		M3 +0	
M4: Project Sustainment			
Activities follow the Compliance Checklist.			
M5: Construction Period			
No activities			

Leases and Allotments Checklist

U.S. AIR FORCE

HAND OUT HARD COPY CHECKLISTS TO DISCUSS

YOUR TRAINING NEEDS ASSESSMENT

DRAFT TOOL (PROVIDE LAPTOPS FOR FOLKS TO COMPLETE)

U.S. AIR FORCE

Brendan Smith	SCORE
Instructions: Read each responsibility and assign a score (in yellow box) to illustrate your competency. 0=no skills at all, 10=complete mastery. Mark and "x" in the yellow box if you will not be performing this role.	
Responsibility	
OVERALL GENERAL RESPONSIBILITIES	
Coordinates day-to-day operations at the installation with the Selected Offeror (SO)/Project Owner (PO) and proper[illegible]io Management efforts	2
Provides Installation Leadership/Management Review Committee and Portfolio Manager with timely and re[illegible]erformance	9
Provides early identification of issues affecting projects	x
NOTE: The following list of duties is meant to be a comprehensive definition of base asset m[illegible]wever, this list may not be not all-inclusive.	
GENERAL PROJECT MANAGEMENT	
Main point of contact for all privatized housing asset management act[illegible]	5
Ensure appropriate base staff is familiar with transaction doc[illegible]	3
Collect and provide documents to Portfolio Manager	4
Use Portfolio Manager support for special [illegible]uem resolution	5
Provide security and operations oversight	1
Ensure PO providing appropriate level of s[illegible]urity for housing development IAW project documents or local standards	5
Ensure PO cooperation with law enforcement	6

SAMPLE

WORKSHEET TO SCORE YOUR COMPETENCY

GENERATES THIS DEVELOPMENT PLAN

TRAINING NEEDS ASSESSMENT FOR:
Brendan Smith

This is an informal assessment. It is purely for self development pur

Suggested Development Actions (PRIORITIZED)

	Occurances	'eed
Lockbox Accounts		
Legal 201		
AFIT 445 (Housing Privatization C	18	
Compliance Testing	15	
Program Evaluatio[illegible]g	10	
AFCEE Or[illegible]aining	8	
Legal 101	1	
Portfolio Management Overview	1	

SAMPLE

ADDITIONAL RESOURCES

Additional Sources of Information

U.S. AIR FORCE

AFCEE Housing Privatization Web Site

Air Force Housing Privatization
Lessons Learned Workshop
Monday, February 9, 2004 through Thursday, February 12, 2004
Agenda

http://www.afcee.brooks.af.mil/meetings/lessons/default.asp

Contact Brendan Smith or Cindy Pettit

Brendan Smith, Booz Allen Hamilton

210-244-4277

Smith_brendan@bah.com

Cindy Pettit, Booz Allen Hamilton

210-244-4320

pettit_cynthia@bah.com

Transition Execution Support

Site Visits for Training